



**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH  
ADULT SYSTEMS OF CARE  
CALWORKS MENTAL HEALTH SUPPORTIVE SERVICES**

**DMH CALWORKS BULLETIN No. 05-03  
CALWORKS BILLING RECONCILIATION**

May 18, 2005

TO: All DMH CalWORKs Mental Health Supportive Services Providers

FROM: Dolores Daniel, Program Head  
CalWORKs Program

SUBJECT: **CalWORKs BILLING RECONCILIATION**

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1. Purpose
  2. Background
  3. DPSS Invoice Reconciliation Process – 100% Reconciliation
  4. Request for Supporting Documentation
  5. DPSS Review of Submitted Documentation
  6. DMH Reconciliation of Denied Claims

**1. PURPOSE**

The purpose of this bulletin is to provide information on the DPSS CalWORKs billing reconciliation process that was implemented as of fiscal year 2004-2005. This process is utilized to verify that mental health services billed to DPSS were only provided to eligible CalWORKs participants.

**2. BACKGROUND**

DMH and DPSS entered into a new Memorandum of Understanding (MOU) for fiscal year 2004-2005 and continuing years thereafter. A major change effected by the new MOU is the implementation of a reconciliation process for all CalWORKs mental health

supportive services submitted for payment. This means that in order for a provider to be paid for services billed to CalWORKs, the client must have been enrolled in CalWORKs GAIN and/or appear on the list of eligible CalWORKs GAIN participants on the date the services were rendered. As a result, DMH CalWORKs administrative staff has impressed upon CalWORKs providers the importance of ensuring that all claims submitted for payment have been for services to eligible CalWORKs participants enrolled in GAIN.

### **3. DPSS INVOICE RECONCILIATION PROCESS – 100% RECONCILIATION**

DPSS reconciles the invoice for each provider based on 100% of all case names on the list. The names appearing on both the DMH list and LEADER/GEARS are validated and authorized. Names on the DMH list not appearing on LEADER/GEARS must have follow-up documentation submitted by the mental health provider to justify payment of fees. Names that do not appear as eligible on LEADER/GEARS will be annotated and may be disallowed for payment.

DPSS CalWORKs staff will review the exception list against the PA 1923 and 1206 Monthly Treatment/Services Forms Log for potential validation of payment prior to requesting additional documentation from DMH.

In instances where a potential CalWORKs participant is found ineligible and the CalWORKs case is denied, the request for payment for the PA 1923 will be authorized if it is received within ten (10) working days from initial contact with the participant.

After this review has been completed, one of the following will occur:

- A. No further action needed.  
The 100% Reconciliation of provider's claims has been completed and no exceptions have been identified.  
or
- B. Exceptions have been identified.  
DPSS will issue a memo to DMH requesting validation of case names appearing as ineligible. DPSS will send DMH a listing of ineligible individuals and require supporting documentation. Additional documents are needed for the following reasons:
  - Computation for Service Units is incorrect.
  - Participant's eligibility was not verified on LEADERS/GEARS.

### **4. REQUEST FOR SUPPORTING DOCUMENTATION**

DMH must respond to DPSS' exception list for a mental health provider within 60 calendar days of receipt from DPSS. DMH will forward each CalWORKs provider a listing to investigate and request supporting documentation. Responses are due back

to DMH within 30 calendar days. Acceptable back-up documentation for CalWORKs is as follows:

- GN 6006 A – Clinical Provider Referral (p.1)
- GN 6006 A – Clinical Assessment Results (p.2)
- GN 6006 B – Service Provider Referral (Appt. Notice) (p.1)
- GN 6006 B – CalWORKs Services Results (p.2).
- GN 6149 – CalWORKs PA 1923 Results Notification.
- Letter from DPSS indicating that the PA 1923 has been accepted.
- GN 6008 – MH /DV/SA Service Provider Progress Report
- Other written documentation from a DPSS Eligibility Worker or GAIN Services Worker referring the participant to the provider.

DMH will review the supporting documents and identify cases for which there are no supporting documents. DMH will submit the provider's supporting documents to DPSS. Further, DMH will notify DPSS if a provider does not have supporting documents for the services provided or if a provider fails to respond within the required time.

## **5. DPSS REVIEW OF SUBMITTED DOCUMENTATION**

DPSS will conduct a 100% review of the submitted paperwork to ensure that the agency has proper documentation for the appropriate month. After this review, one of the following will occur:

- A. Documentation is acceptable.  
DPSS will notify DMH that no further action is required.
- B. Documentation is invalid.  
DPSS will notify DMH that participant did not meet the criteria for payment eligibility. DPSS' payment previously issued to DMH for the specific mental health provider's services will be adjusted in its entirety or partially as applicable. DPSS will specify the amount that is being disallowed. The reasons for the disallowance are:
  - Participant did not meet the criteria for payment eligibility.
  - Back-up documentation was not acceptable.
- C. Documentation not received within 60 calendar days of request to DMH.  
DPSS' payment previously issued to DMH for the specific mental health provider's services will be adjusted in its entirety or partially as applicable.

## **6. DMH RECONCILIATION OF DENIED CLAIMS**

In response to denied claims from DPSS, DMH will adjust its payment to the mental health provider and require reimbursement of any monies paid for ineligible participants billed to the CalWORKs program and for participants for whom there was no acceptable back-up documentation. This reimbursement requirement may affect the amount of monies available for the provider for current and future CalWORKs program.

In certain situations and where appropriate, DMH will initiate the standard appeals process with DPSS to adjudicate denied claims.

DM/dd/lb

# DPSS CalWORKs RECONCILIATION PROCESS

